

**High Performance Transportation Enterprise
Board of Directors Meeting Minutes
CDOT Headquarters Building, Conference Rm. 225
January 21st, 2011**

PRESENT: Charlotte Robinson
Trey Rogers
Doug Aden
Heather Barry (via phone)
Dan Cleveland
Tim Gagen

ABSENT: Stan Matsunaka

ALSO PRESENT: Michael Cheroutes, HPTE Director
Peggy Catlin, CDOT Deputy Executive Director
Ben Stein, CFO
Johnny Olsen, Region 4
Reza Akhavan, Region 6
Marina Krasny, HPTE Accountant
Michelle Halstead, Government Relations
Kathy Young, HPTE Legal Council

AND: Other staff members, organization representatives and public.
All supporting documents are filed in the HPTE office.

1. Call to order and Roll Call

Chairwoman Robinson convened the HPTE Board of Directors regular meeting at 9:40 a.m.

2. Public Comment.

No public comment.

3. Board Members' Comments.

Director Aden thanked Michelle Halstead on behalf of HPTE for her contribution to US 36 project and wished her the best in her next endeavor. Chair Robinson and HPTE Director Cheroutes also expressed their gratitude for the support Michelle Halstead provided to HPTE.

4. HPTE Director Report.

HPTE Director Cheroutes reported 2010 HPTE Annual Report has been posted on the web site as required by legislature. He also reported that he currently serves as Interim

CDOT Executive Director. He had an opportunity to brief new Executive Director on the US 36 project and its importance in demonstrating our ability to make transportation improvements without use of State funds.

5. Discuss and Act on the Personnel Matters.

HPTE Director Cheroutes asked for the Board's approval to authorize hiring an administrative assistant to perform administrative functions for HPTE and a program assistant to fill in other staffing gaps.

Director Rogers made a motion to authorize the HPTE Director to hire an administrative assistant at the annual salary of not to exceed \$50,000 plus benefits and a temporary employee at the amount not to exceed \$30,000 for six months period. Director Cleveland seconded the motion and on unanimous vote, the Board directed HPTE staff to continue with TIFIA application process.

6. Discuss and Act on the Regular Meeting Minutes for December 17th, 2010.

Chairwoman Robinson asked for consideration of the December 17th, 2010 HPTE regular meeting minutes. Director Gagen moved for adoption of the meeting minutes. Director Rogers seconded the motion and on the vote of the Board, the minutes were adopted.

Resolution Number HPTE-34

BE IT HEREBY RESOLVED, the High Performance Transportation Enterprise Board of Directors' Regular Meeting Minutes for December 17th, 2010 are hereby approved.

7. Discuss and Act on the HPTE Revised Budget for FY2011.

HPTE Director Cheroutes presented revised budget for FY2011 that includes upcoming US 36 consulting contracts and changes in staffing costs for the remainder of the fiscal year. Staff recommendations include a significant reduction for the General Engineering consulting contract, an increase for US 36 legal services contracts, an increase for P3 advisor, revised rating agency fee and TIFIA application fee. Some of these costs might be reimbursed from our debt financing when it is in place next year.

Director Aden made a motion to approve FY2011 revised budget as presented. Director Gagen seconded the motion and on the vote of the Board, HPTE Revised Budget for FY2011 was adopted.

Resolution Number HPTE-35

BE IT RESOLVED, that the Revised Budget for the Fiscal Year 2010-2011 is approved by the High Performance Transportation Enterprise Board.

8. Discuss and Act on items related to US 36 Project.

HPTE Director Cheroutes reported that the financing plan for TIFIA application is nearly completed. After evaluating the available funds, we have determined that we will be able to build a project that goes from Pecos on the East to Interlocken on the West. This is also referred to as Segment 1 and Segment 2 of the whole project.

As confirmed by Region 6, the project cost will be \$260 million. To fund this project we were able to secure \$30 million from RTD. RTD staff is recommending their Board to allocate additional \$90 million to this project. There is a high degree of expectation that RTD Board will authorize addition funds for this project. The total RTD contribution for Segments 1 and 2 of the project would be \$120 million. Initially, DRCOG committed \$25 million and now we are expecting additional commitment of \$20 to \$25 million. CDOT has committed \$34 million to the project. This leaves a gap of approximately \$70 million. We believe we have sufficient coverage between projected US 36 revenue and excess revenue from I-25 for operation and maintenance of Segment 1 and 2.

The TIFIA loan application is nearing completion and will be sent out to the Board shortly. We will be asking the Board to convene for a Special Meeting within the next couple of weeks to approve the application in order to meet January 31 submission deadline.

In response to Director Aden's question, Ben Stein stated that the interest rate is locked at the time of the closing. Until then we are subject to the market interest rate risk.

HPTE Director Cheroutes reported that P3 Advisors contract with KPMS and Underwriting Services contract with JP Morgan are currently pending negotiations. Director Rogers stated that current By-Laws do not provide HPTE Director with authority to enter into the contracts without prior approval from the Board. He suggested revising the By-Laws to give that authority to HPTE Director. The Board agreed to address the By-Laws revision at the next meeting.

Director Rogers made a motion to authorize HPTE Director to enter into the contract with KPGM for P3 Advisory consulting services for the amount not to exceed \$125,000 for the remainder of Fiscal Year 2011 and enter into a contract with JP Morgan for Bond Underwriting services with the understanding that there will be no financial obligations unless the bonds are issued and the fees will be paid out of bond proceeds. Director Gagen seconded the motion and on unanimous vote, the Board directed HPTE Director to execute KPMG and JP Morgan contracts.

HPTE Director Cheroutes thanked the FHWA, RTD, DRCOG, and US 36 Coalition for their cooperation and involvement in this project.

9. Other Matters.

Peggy Catlin presented draft of the HPTE Quarterly Progress report for the first quarter of Fiscal Year 2011 and asked for Boards comments in order to finalize the document. The

proposed reports included the hybrid usage data requested by Director Barry in addition to the overall update on the usage of the lanes.

10. Adjournment.

Chairwoman Robinson adjourned the meeting at 10:20 a.m.